

Message Text

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PAGE 01 GABORO 01119 192030Z

70

ACTION AF-18

INFO OCT-01 ISO-00 SP-03 AID-20 EB-11 NSC-07 RSC-01

CIEP-03 TRSE-00 SS-20 STR-08 OMB-01 CEA-02 COME-00

H-03 L-03 PA-04 PRS-01 USIA-15 DRC-01 /122 W

----- 118911

R 161535Z AUG 74

FM AMEMBASSY GABORONE

TO SECSTATE WASHDC 5694

INFO AMEMBASSY MASERU

AMEMBASSY MBABANE

AMEMBASSY PRETORIA

LIMITED OFFICIAL USE GABORONE 1119

E. O. 11652: N/A

TAGS: EGEN, BC

SUBJ: GOB ANNOUNCES CUTS IN SALES TAXES

1. VICE PRESIDENT MASIRE HAS ANNOUNCED SUBSTANTIAL REDUCTIONS IN RATES OF SALES TAXES PAYABLE UPON IMPORTATION OF LOCAL MANUFACTURE OF WIDE RANGE OF DOMESTIC APPLIANCES AND CERTAIN CONSUMER DURABLES AS PART OF PROGRAM COMBAT RISING COST OF LIVING. REDUCTIONS ARE SIMILAR TO MEASURES JUST TAKEN BY SOUTH AFRICAN GOVERNMENT IN CONNECTION WITH ITS BUDGET PROPOSAL AND APPLY THROUGHOUT THE SOUTHERN AFRICAN CUSTOMS AREA.

2. COMMENT: GOB HAS BEEN SERIOUSLY CONCERNED ABOUT RISING LIVING COSTS WHICH SOURCE OF SOME POLITICAL DISCONTENT. GOB HAS LIMITED POLICY INSTRUMENTS AT ITS DISPOSAL TO INFLUENCE DEMAND BUT SENIOR OFFICIALS AND THE PRESS HAVE MOUNTED QUIET CAMPAIGN IN EFFORT INFLUENCE PRICING PRACTICES OF RETAIL AND WHOLESALE ESTABLISHMENTS WHICH LARGELY FOREIGN OWNED AND CONTROLLED. INDICATIONS ARE THAT OTHER STEPS UNDER CONSIDERATION INCLUDING RENT CONTROLS TO EASE PRESSURE ON CONSUMERS. TAX CUTS NOT EXPECTED HAVE ANY MAJOR IMPACT ON REVENUE RECEIPTS.

BOLEN

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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: SALES TAXES
Control Number: n/a
Copy: SINGLE
Draft Date: 16 AUG 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: CollinP0
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
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Previous Handling Restrictions: n/a
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Review Authority: CollinP0
Review Comment: n/a
Review Content Flags:
Review Date: 30 AUG 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <30 AUG 2002 by WorrelSW>; APPROVED <25 FEB 2003 by CollinP0>
Review Markings:

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EO Systematic Review
30 JUN 2005

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